

“(5) imported property income for the taxable year (determined under subsection (j) and reduced as provided in subsection (b)(5)).”.

(b) DEFINITION OF IMPORTED PROPERTY INCOME.—Section 954 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

“(j) IMPORTED PROPERTY INCOME.—

“(1) IN GENERAL.—For purposes of subsection (a)(5), the term ‘imported property income’ means income (whether in the form of profits, commissions, fees, or otherwise) derived in connection with—

“(A) manufacturing, producing, growing, or extracting imported property;

“(B) the sale, exchange, or other disposition of imported property; or

“(C) the lease, rental, or licensing of imported property.

Such term shall not include any foreign oil and gas extraction income (within the meaning of section 907(c)) or any foreign oil related income (within the meaning of section 907(c)).

“(2) IMPORTED PROPERTY.—For purposes of this subsection—

“(A) IN GENERAL.—Except as otherwise provided in this paragraph, the term ‘imported property’ means property which is imported into the United States by the controlled foreign corporation or a related person.

“(B) IMPORTED PROPERTY INCLUDES CERTAIN PROPERTY IMPORTED BY UNRELATED PERSONS.—The term ‘imported property’ includes any property imported into the United States by an unrelated person if, when such property was sold to the unrelated person by the controlled foreign corporation (or a related person), it was reasonable to expect that—

“(i) such property would be imported into the United States; or

“(ii) such property would be used as a component in other property which would be imported into the United States.

“(C) EXCEPTION FOR PROPERTY SUBSEQUENTLY EXPORTED.—The term ‘imported property’ does not include any property which is imported into the United States and which—

“(i) before substantial use in the United States, is sold, leased, or rented by the controlled foreign corporation or a related person for direct use, consumption, or disposition outside the United States; or

“(ii) is used by the controlled foreign corporation or a related person as a component in other property which is so sold, leased, or rented.

“(D) EXCEPTION FOR CERTAIN AGRICULTURAL COMMODITIES.—The term ‘imported property’ does not include any agricultural commodity which is not grown in the United States in commercially marketable quantities.

“(3) DEFINITIONS AND SPECIAL RULES.—

“(A) IMPORT.—For purposes of this subsection, the term ‘import’ means entering, or withdrawal from warehouse, for consumption or use. Such term includes any grant of the right to use intangible property (as defined in section 936(h)(3)(B)) in the United States.

“(B) UNITED STATES.—For purposes of this subsection, the term ‘United States’ includes the Commonwealth of Puerto Rico, the Virgin Islands of the United States, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

“(C) UNRELATED PERSON.—For purposes of this subsection, the term ‘unrelated person’ means any person who is not a related person with respect to the controlled foreign corporation.

“(D) COORDINATION WITH FOREIGN BASE COMPANY SALES INCOME.—For purposes of this section, the term ‘foreign base company sales income’ shall not include any imported property income.”.

(c) SEPARATE APPLICATION OF LIMITATIONS ON FOREIGN TAX CREDIT FOR IMPORTED PROPERTY INCOME.—

(1) IN GENERAL.—Paragraph (1) of section 904(d) of the Internal Revenue Code of 1986 is amended by striking “and” at the end of subparagraph (A), by redesignating subparagraph (B) as subparagraph (C), and by inserting after subparagraph (A) the following new subparagraph:

“(B) imported property income, and”.

(2) IMPORTED PROPERTY INCOME DEFINED.—Paragraph (2) of section 904(d) of such Code is amended by redesignating subparagraphs (I), (J), and (K) as subparagraphs (J), (K), and (L), respectively, and by inserting after subparagraph (H) the following new subparagraph:

“(I) IMPORTED PROPERTY INCOME.—The term ‘imported property income’ means any income received or accrued by any person which is of a kind which would be imported property income (as defined in section 954(j)).”.

(3) CONFORMING AMENDMENT.—Clause (ii) of section 904(d)(2)(A) of such Code is amended by inserting “or imported property income” after “passive category income”.

(d) TECHNICAL AMENDMENTS.—

(1) Clause (iii) of section 952(c)(1)(B) of the Internal Revenue Code of 1986 is amended—

(A) by redesignating subclauses (II), (III), (IV), and (V) as subclauses (III), (IV), (V), and (VI), and

(B) by inserting after subclause (I) the following new subclause:

“(II) imported property income.”.

(2) The last sentence of paragraph (4) of section 954(b) of such Code is amended by striking “subsection (a)(5)” and inserting “subsection (a)(4)”.

(3) Paragraph (5) of section 954(b) of such Code is amended by striking “and the foreign base company oil related income” and inserting “the foreign base company oil related income, and the imported property income”.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years of foreign corporations beginning after the date of the enactment of this Act, and to taxable years of United States shareholders within which or with which such taxable years of such foreign corporations end.

NOTICE OF HEARING

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BINGAMAN. Mr. President, I would like to announce for the information of the Senate and the public that a hearing has been scheduled before the Senate Committee on Energy and Natural Resources. The hearing will be held on Thursday, March 31, 2011, at 9:30 a.m., in room SD-366 of the Dirksen Senate Office Building.

The purpose of the hearing will be to hear testimony on three items:

S. 629, to improve hydropower, and for other purposes.

S. 630, to promote marine and hydrokinetic renewable energy research and development, and for other purposes.

Title I, subtitle D of the American Clean Energy Leadership Act of 2009 (S. 1462 from 111th Congress).

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the hearing record may do so by

sending it to the Committee on Energy and Natural Resources, United States Senate, Washington, D.C. 20510-6150, or by e-mail to Meagan_Gins@energy.senate.gov.

For further information, please contact Tanya Trujillo at (202) 224-5479 or Meagan Gins at (202) 224-0883.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. MERKLEY. Mr. President, I ask unanimous consent that the Senate proceed to executive session to consider the following nominations: Calendar Nos. 69, 70, 71, and 72, and all nominations placed on the Secretary's desk in the Coast Guard and NOAA; that the nominations be confirmed en bloc, the motions to reconsider be considered made and laid upon the table, with no intervening action or debate; that no further motions be in order to any of the nominations; that any statements related to the nominations be printed in the Record; that the President be immediately notified of the Senate's action, and the Senate then resume legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and confirmed en bloc are as follows:

IN THE COAST GUARD

The below named officer for appointment as Deputy Commandant for Operations of the United States Coast Guard, a position of importance and responsibility in the U.S. Coast Guard, to the grade indicated under title 14, U.S.C., section 50:

To be vice admiral

Rear Adm. Brian M. Salerno

The following named officer for appointment as Deputy Commandant for Mission Support of the United States Coast Guard, a position of importance and responsibility in the U.S. Coast Guard, and to the grade indicated under title 14, U.S.C., section 50:

To be vice admiral

Vice Adm. John P. Currier

The following named officer for appointment in the United States Coast Guard, to the grade indicated while assigned to a position of importance and responsibility under title 14, U.S.C., section 50:

To be vice admiral

Vice Adm. Robert C. Parker

The following named officer for appointment in the United States Coast Guard, to the grade indicated while assigned to a position of importance and responsibility under title 14, U.S.C., section 50:

To be vice admiral

Vice Adm. Manson K. Brown

NOMINATIONS PLACED ON THE SECRETARY'S DESK

IN THE COAST GUARD

PN244 COAST GUARD nomination of Philip F. Brooking, which was received by the Senate and appeared in the Congressional Record of February 3, 2011.

PN245 COAST GUARD nominations (2) beginning IVAN R. MENESES, and ending WILLIAM A. SCHULZ, which nominations were received by the Senate and appeared in the Congressional Record of February 3, 2011.